

ATLANTIC CITY SHOWBOAT, INC.
Notes to Financial Statements
(Dollars In Thousands)

Amended
5/8/06

Long-Term Debt (Cont.)

Prior to the assignment interest payments were made semiannually. Throughout the remainder of 2003 interest payments were made on a monthly basis. However, for subsequent tax years, interest payments will be remitted annually, payable in the following year.. As of December 31, 2005 and 2004, there was accrued interest of \$57,387 and \$57,387 respectively.

(9) OTHER LIABILITIES

As of December 31, 2005 and 2004, Other Liabilities consisted of the following:

	<u>2005</u>	<u>2004</u>
Due to Affiliates, Long-Term	\$1,101,745	\$985,972
Other	<u>165</u>	<u>240</u>
	<u>\$1,101,910</u>	<u>\$986,212</u>

Due To Affiliates, Long Term consisted of the following:

	<u>2005</u>	<u>2004</u>
HARRAH'S	\$702,543	\$588,280
SBO	380,566	380,566
Harrah's Las Vegas	6,441	6,441
Harrah's Reno	45	45
Harrah's Tunica	0	16
Harvey's Tahoe	691	691
Harrah's Laughlin	85	95
Horeshoe Tunica	5	0
Rio Las Vegas	105	99
OSI	38	38
Harrah's Atlantic City	10,185	8,833
Bally's Atlantic City	172	0
Caesars Atlantic City	1	0
Showboat Operating Company	<u>868</u>	<u>868</u>
	<u>\$1,101,745</u>	<u>\$985,972</u>

(10) LEASES

The Company leased a warehouse under a long-term lease agreement that was capitalized as a capital lease. The Company had the option to purchase the warehouse from January 1, 2006 through March 31, 2006 at an option price of approximately \$1,928. As of January 31, 2006 the warehouse lease was terminated.